

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

MICHAEL J. QUILLING, Receiver	§	
for Advanced Financial Services, Inc.,	§	
	§	Civil Action No. 1:03-cv-0236
v.	§	
	§	
TRADE PARTNERS, INC., et al.,	§	

REPORT AND RECOMMENDATION

On November 8, 2006, the Court conducted a hearing on the Receiver's Motion to Approve Claim Determinations as to the Claims of Edwin Kacos (A-04505 through A-04522), Edward Kacos (A-00062 through A-00064), Douglas Kacos (A-02867), and Elaine Kacos (A-02868) [Dkt. 1333], at which time the Court considered the Motion, accompanying evidence, applicable law, and the agreements of the parties as expressed by counsel as to the Edwin Kacos and Edward Kacos claims. The Court finds the agreements to be in the best interest of the receivership estate.

Accordingly, based upon the agreements of the parties, the Motion, accompanying evidence and applicable law, the Magistrate Judge recommends that the Receiver's Motion be **granted in part and denied in part**, as follows:

As to Edwin Kacos, the Motion should be granted in part and denied in part. Pursuant to the agreement of the parties, the Magistrate Judge recommends that Edwin Kacos be granted, pursuant to Claim No. A-04508, an allowed "A" viatical claim in the amount of \$50,000.00. Consistent with the Motion, Claim Nos. A-04505 through A-04507, and A-04509 through A-04522 should be disallowed.

As to Edward Kacos, the Motion should be granted in part and denied in part. Pursuant to the agreement of the parties, Edward Kacos should be granted, pursuant to Claim No. A-00063, an allowed "A" IWM claim in the amount of \$80,016.51. Consistent with the Motion, Claim No. A-00062 should be disallowed, and, pursuant to Claim No. A-00064, Edward Kacos should be granted an allowed "A" Sojkara claim in the amount of \$78,210.95.

As to Douglas Kacos, the Motion should be granted, and therefore, pursuant to Claim No. A-02867, he should be granted an allowed "A" Sojkara claim in the amount of \$339,699.09.

As to Elaine Kacos, the Motion should be granted, and therefore, pursuant to Claim No. A-02868, she should be granted an allowed "A" inventory loan claim in the amount of \$18,822.86.

Respectfully submitted,

Date: November 17, 2006

/s/ Ellen S. Carmody
ELLEN S. CARMODY
United States Magistrate Judge

OBJECTIONS to this Report and Recommendations must be filed with the Clerk of the Court within ten (10) days of the date of service of this notice. 28 U.S.C. § 636(b)(1)(C). Failure to file objections with the specified time waives the right to appeal the District Court's order. *Thomas v. Arn*, 474 U.S. 140, 155 (1985); *United States v. Walters*, 638 F.2d 947, 949-950 (6th Cir. 1981).